



**Full Length Research Article**

**THE IMPACT OF ECONOMIC AND POLITICAL POLICIES OF GOVERNMENT: IN THE CONTEXT OF  
GLOBALIZATION**

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**ABSTRACT**

Globalization provide a fascinating field of study. Globalization is viewed as an agent of change. The term globalization was first used by Theodore Levitt in 1983 (in an article he wrote in the Harvard Business Review) till the early 1990s. Globalization is driven by knowledge and new technology thus there is a need not only to provided good quality primary secondary and technical education but also to spend more on higher levels of professional education with globalization and increasing competition demand for skilled and semiskilled workers has increased in the era of globalization and market liberalization, there has been a trend to move away from large enterprises, stable workers and wage systems towards flexible production, process and flexible employment and payment Flexibility of employment has spread across the developing transitional and industrialized countries. The government has changed its economic and political policies after adopt new economic policy. The global economic scenario is changing radically and unimagined changes are taking place in work places fuelled by racing technology and global competition for work. New technology of all types, especially computer / Information Technology has become a part of nearly every industry. Globalization can be viewed as a structural change in Economic, Political and Social activity. The New Economic Policy comprises the various policy measures and changes introduced since July 1991. The thrust of new economic policy is towards creating a more competitive environment in the economy as a means to improving the productivity and efficiency of the system. The role of government is changing as we witness a fragmentation of policy responsibility in society. We must also recognize that the traditional mechanisms of government control are no longer workable –or even appropriate.

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**INTRODUCTION**

After 1990, the scope of globalization and privatization is increased and public sector is removed in private sector in this situation skillful, Knowledge about IT, E- governance, efficiency, Technology Decision making, power, Management these are part of development. The world is changed in the field of science and technology. Technologies have opened new vistas for governance as well active implementation for evolving a comprehensive and qualitative system of public service delivery e-governance is in developing a global nub by linking communities locally and globally improving quality of life energizing the economic engine and enhancing the potential of individuals. The global economic scenario is changing radically and unimagined changes are taking place in work places fuelled by

racing technology and global competition for work. It is increasing important to look at career against the backdrop not only of what is happening in the country but what is happening across the globe. New technology of all types, especially computer / Information Technology has become a part of nearly every industry. The Government's approach to Industrial sector development and growth as out lined in the last years economic survey is "that the Indian Industry must be an efficient and competitive enable to stand on its own in the face of foreign competition," The government formulate the policies and implements them through their administrative machinery. The role of government is changing as we witness a fragmentation of policy responsibility in society, we must also recognize that the traditional mechanisms of government control are no longer workable— or even appropriate. The challenged faced by the government are not only to sustain and accelerate the pace of development but also to introduce policies that remove regional and sect oral disparities special attention is required on formulating sound

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economic policies expenditure reforms, better debt management and reduced borrowings, curtailment of subsidies and control over project cost over runs. The new economy policy is towards creating a more competitive environment in the economy as a means to improving the productivity and efficiency of the system. Private sector is being given a larger space to operate in as some of the areas reserved for the public sector. The Public sector will have to compete with private sector even though the public sector may continue to play the dominant role. It needs to improve its efficiency and productivity and generate the necessary surpluses as was originally envisaged. Policy formation and coordination function is fundamental to the smooth running of government. Effectively mechanisms for policy formation and coordination are closely linked with a more predictable policy framework, better regulation, lower corruption and exemplary rule of law. People involvement is the decisive test of good governance. Integrity is a necessary condition for provision of a predictable and effective framework for the economic and social life of the citizens. Globalization provide a fascinating field of study. Globalization is viewed as an agent of change.

The term globalization was first used by Theodore Levitt in 1983 (in an article he wrote in the Harvard Business Review) till the early 1990s. The term was generally defined in relatively neutral economic terms as a process in which commercial and financial activities were becoming increasingly international. Bureaucrats relates to the whole of society and the political economy. The norms of an administrative system are both old and new traditional norms – efficiency, economy, good management and public interest. Bureaucrats in the current decades will have face challenges. Administration in modern society has become an all pervasive affair through political direction, economic management, socio-engineering and increased bureaucratization. The two elements of honesty and transparency are needed to ensure governance for development but the one single factor that has multifold the whole process of planned economic development is the rampant corruption in our system. The corruption is anti economic development. Information Technology has brought revolutionary changes in every walk of life. It has accelerated the pace of globalization use of internet and computers for different purposes is increasing rapidly.

The government formulate the policies and implements them through their administrative machinery. The electronic medias of communication and computers has increased the process of administration. E-governance involves computerization of services to be provided to the citizens. E-governance is computerization of government documents, records and various reports. In the process of globalization information has become power the quality of administration. Development is the sign of transformation, modernization and new civilization, covering every aspect of human life – social, economic, political, cultural, moral. Globalization can be viewed as a structural change in Economic, Political and Social activity. In the words of Kofi Annan, UN Secretary General, “Essentially, it ( globalization ) means that today, more than ever in the past groups and individuals interact directly across frontiers, without necessarily involving the state. This happens partly because of new technology, and partly because states have found that

prosperity is better served by releasing the creative energies of their people than by restricting them”. Amartya Sen has said, Globalizing influences “have gone in different directions for example towards the lose of the millennium just ended, the direction of movement was largely from the west to elsewhere, but at the beginning of the same millennium (circa 1000 AD), Europe was absorbing Chinese science and technology and Indian and Arabic mathematics. This is a world heritage of interaction and contemporary trends fit into that History. “The most flattering definition has been offered by the New York Times in its editorial according to which “Globalization has become a term for Unifying trends in the trade, communications and management. It could as easily refer to a generous new consciousness about how the world should manage not just its enterprises and crimes but the task of crafting a shared dusting. “The New Economic Policy comprises the various policy measures and changes introduced since July 1991 in India. The thrust of new economic policy is towards creating a more competitive environment in the economy as a means to improving the productivity and efficiency of the system. The new economic policy measures initiated by the Finance Minister Dr. Manmohan Singh since June 1991.

The finance minister Dr. Manmohan Singh was fully aware of the need for delicate balancing of multiple macroeconomic objectives of structural economic reforms. Globalization has followed the sequence of deregulation in the world economy trade liberalization came first. The New Economic Policy primarily aims at promoting a market economy through Liberalization, Privatization and Globalization. Liberalization aims to secure economic advantage of competition. Other side Electronic – Governance (E-Governance) is fast emerging as an important tool for achieving good governance especially with regard to improving efficiency, transparency and making interface with government user friendly e-governance denotes the application of IT to the processes of government functioning in order to bring about better governance which has been termed as SMART (Simple, Moral, Accountable, Responsive and Transparent). In the tenth plan it is proposed to focus on the re-engineering of procedures and rules which are in fact the core of any effective programme of e-governance.

This process of economic liberalization is basic conceptual formulation seeks a reduced government intervention in the economic sector implying a reduced role for the bureaucracy in the process of development. Another level, It confronts the basic of the Indian socio-political formulation of a welfare state that had used the socialist approach to understand the relationship between the individual and the state. The effort being made towards reforming India’s economy in era of global change. Globalization has competitive market, investment, reduction in customs duties both for increasing exports & imports. Globalization has followed the sequence of deregulation in the world economy and about New Economy Policy which changed according global market, privatization, liberalization. The approach to globalization as, being mainly an economic phenomenon indeed, limits the spirit of the subject. The real perception of globalization is much more comprehensive. Something which is primarily a cultural and political phenomenon that is driven innovation. Globalization has reduced the sense of isolation felt in much of the

developing world and has given many people in the developing world and has given many people in the developing countries access to knowledge well beyond the reach of even the wealthiest in any country a century.

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